

REPORT
OF THE COMMITTEE OF
WAYS AND MEANS
OF THE
LEGISLATURE OF PENNSYLVANIA,
ON THE
CURRENCY AND FINANCES
OF THE
COMMONWEALTH.

MR. KEATING, CHAIRMAN.

Read in the House of Representatives, March 1, 1834.

HARRISBURG:
PRINTED BY HENRY E. STRONG.
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REPORT.

The committee of Ways and Means, to whom were referred

1st. So much of the Governor's message of the 4th of December last, as relates to the finances of the Commonwealth;

2d and 3d. The messages from the Governor, of the 21st of January and of the 26th of February, and who

4th. By a resolution of the House of Representatives, passed on the 20th of December last, were directed to inquire into the present state of the currency, and its probable effects upon the credit of this Commonwealth; and also to inquire how far the public interests might be promoted by the continuation of the operations of the Bank of the United States under a charter from this Commonwealth, should its present charter not be renewed by the United States," REPORT :

That they have devoted to the subjects referred to them all the care and reflection consistent with the time which has elapsed since they were committed to them.

From the first moment of their investigation, they were alarmed at the contemplation of the very serious crisis, which, it became apparent to them, our financial concerns were approaching.

The condition of our money market had materially changed in a short time, and the effects of this change were already sensibly felt in every branch of trade and industry. A personal visit to our commercial metropolis, and a careful scrutiny into the various facts and statements which were communicated to them, have led them to the conclusion, that the pressure upon our community is at this moment alarmingly great; exceeding any which has befallen it within the memory of those among us, who have not far advanced beyond the meridian of life. The committee are aware that the existence of this pressure has been denied by light and unreflecting persons, and considered doubtful by others of graver character; but they believe that no one having any respect for his reputation, who has carefully inquired into it, will at this time be hardy enough to deny its reality. Lest, however, the committee should be supposed to have erroneously or hastily admitted it, they proceed briefly to state some of the evidences of it, which have come under their personal knowledge.

Of these, perhaps, no safer test exists, than that which is furnished by the stock exchange. This exhibits a decline of from ten to thirty per cent. in the value of stocks; affecting all of them more or less, and leaving none untouched. Even those favorite investments, which are deemed free from all chance of losses, or from vicissitudes in their dividends, have undergone great depressions; as we shall have occasion hereafter to show.

Next to these, the rate of exchange on England may be considered as a safe test of the relative state of the money markets of London and the United States. At this moment, when the value of the silver dollar is in England 4s. 10d. (by the latest advices) exchange on England has been sold as low as from 98 to 100. On the 12th of February, 98½ was the price paid in New York. It is lower than any paid for more than thirteen years past. The committee are advised, that since 1820, the rate of exchange has never been below three per cent. advance. In 1820 it ranged from par to 3½ per cent. premium; at present it is 2 per cent. below par. The following table, (which they believe to be accurate,) exhibits the fluctuations of exchange during a lapse of years—

Rates of exchange on London from 1821 to 1833, inclusive; exhibiting the lowest cash price on any packet day in each month for prime bills. The highest price, during the time, was 14 per cent. in February, 1832.

	Jan.	Feb.	March.	April.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.
1821	3	4½	6	7½	7½	8½	8½	8½	8½	9½	9½	11½
1822	12	13½	12½	13	9	8	9	10	10½	12½	12½	12
1823	11	10	4	4	4	5¼	6	6½	6¾	7¼	7	7¾
1824	7½	8	8¾	8½	9	8½	8¼	8¼	9¼	9¼	9¼	9¼
1825	9	8¾	9	8	5	5	4¾	4½	7½	9½	8½	8
1826	8	8	7½	9	8½	9	10	10	12	11½	11½	12
1827	10	10	10	10	10½	10	9¾	10	11	11	11½	11
1828	10¼	10¼	10½	10½	10	10¼	9	9½	10¾	11	10	9
1829	8	8½	8½	8½	9½	8½	8½	9½	9¾	9¾	9¾	9¾
1830	8¾	8	8	7¼	7¼	6¼	6	6	6¼	6½	6	6½
1831	6½	6¼	6¾	7¼	7¾	9	10	9¾	10	10½	9¾	10
1832	9¾	9½	9½	10	9½	9¼	7	6½	7¾	8	8	8
1833	8	7½	7½	7½	8¼	8½	7¾	7¾	7	6¼	5	4½

These rates are however merely nominal ones. Assuming the value of the Spanish dollar, as it now is in the English market, and deducting the expenses of importation, including loss of interest and insurance, we conclude, that a merchant now purchasing a bill at 98½ per cent. and remitting it to England and receiving his returns in Spanish dollars, would obtain a clear profit of about 5 to 5½ per cent. This fact alone evinces the value of money in our market and proves the great sacrifice under which those, who have funds in England are disposed to draw them; and the little anxiety there is on the part of the European capitalist to remit his funds to this country; a result the more striking, as the latest advices from England establish the fact of the great abundance of money there; as is shown by the loan lately concluded by the Messrs. Rothschild for two millions sterling, nearly ten millions of dollars, at the rate of two and a half per cent. per annum.

Another evidence of the pressure is found in the extravagant prices which are now paid for the discount of notes; and which the committee are assured has of late been not less than from $1\frac{1}{2}$ to 2 per cent. per month, for the very best paper in the market; and which has risen even to 3 per cent. in many cases, where the security of the reimbursement of the debt was unquestionable.

A still more painful proof is exhibited in the number of heavy failures, which have lately occurred both in Philadelphia and New York. In the latter city there have been not less than fifty failures; and in most cases, we observe them among men of high standing and of unquestionable character—men also possessed of undoubted fortunes, but whose credit is impaired in these days, not by an actual surplus of their debits over their credits, but by the impossibility of making the latter immediately available to meet the former.

The actual dearth of means has broken up many of our manufacturing establishments; and compelled large manufacturers, (the names of whom are before the committee,) either to curtail in part their operations, or in some cases to stop them altogether.

Comparing this state of the country with the prosperity which prevailed at this time last year, the investigation becomes both painful as to the present, and alarming as to the future.

In his annual message to the Legislature, at the commencement of the last session, the Governor of the State depicted the prosperity of the country in terms, which, however true then, it might be deemed mockery at this time of distress, to cite. In the able report submitted to the House, by the chairman of the committee of Ways and Means, on the 22d of March last, he congratulated "the House upon the unexampled prosperity of our financial condition, as demonstrated by the fact that the requisite loans are obtained at a higher premium than has ever been received by the similar operations of any state or country."

In like manner the committee on Banks in their report of Jan. 31, 1833, did "not hesitate to congratulate the Commonwealth on the possession of a currency, which unites all the requisites of a perfect circulating medium, consisting entirely of the precious metals and Bank notes convertible into them."

This state of prosperity seems to have been very slightly impaired during the last winter, as the Governor announced to this Legislature at the opening of the present session, that "The loan of \$2,540,661 44 authorized by the act of the 16th of February last, (1833,) after the usual notice, had been taken by Dr. Jesse R. Burden; he agreeing to pay \$113 51 in money for every \$100 in stock, bearing an interest of five per cent. per annum; and that of 530,000, directed to be made by the act of the 27th of March last, was taken, after similar notice, by Messrs. S. & M. Allen, of the City of Philadelphia, at \$114 in money for every \$100 in stock, bearing a like interest, they having previously bo-

come possessed of the first mentioned loan, by transfer from the original holder."

The hopes then entertained were not realized ; and the Governor's Message of Jan. 21, 1834, has presented to the Legislature, and to the people, the new, and (it is believed) unparalleled instance in our history, of the failure of a contractor for our loans to meet his engagements with the Commonwealth. The fact of the inability of the Messrs. Allens to pay the remaining instalments of the loan, to the amount (including premium) of \$827,890 22, and the subsequent failure of this respectable house (at a time when, from careful examination it appears, that after full allowances for all losses upon Pennsylvania and other stocks, their net available assets exceed the total liabilities of their concerns, by a sum of more than five hundred thousand dollars,) are among the awful evidences of the very sudden catastrophes which may affect the financial concerns of a commercial country, by ill advised or injudicious measures on the part of its rulers ; and the committee cannot refrain from expressing their opinion that a due sense of morality revolts at the idea of the evils, entailed upon faithful and enterprising citizens, by the adoption of measures of government, equally unforeseen and uncalled for.

It is true, that at the time when Dr. Burden effected his loan there were many, who predicted the dangers to which the currency of the country might be exposed in the course of a twelve-month ; and hence by some it was deemed a hazardous undertaking for those who had not previously made preparations for the diffusion of the stock abroad, to venture so deeply into a speculation, which all cautious men considered as made on terms more advantageous to the Commonwealth, than desirable to the contractor.

Comparing the prices of the Philadelphia and New York stock markets at various periods of the years 1833 and 1834, as exhibited by actual sales, reported by brokers, we observe the following depressions :

ary 1834.

ast Sales known to us.

99	February 15,	February & August
00	" 14,	" "
00	" 18,	" "
99	" "	" "
33	" 27,	January & July.
20	" "	" "
0½	" 25,	May & November.
0	" 21,	" "
2	" 18,	" "
6	" 21,	" "
3	" 27,	" "
1	" "	" "
5	" 25,	June & December.
9	" "	March & Sept.
4	" 22,	Feb'y. & August.
6	" 25,	June & December.
5½	" "	January & July
1	" 27,	" "
87½	" 14,	" "
90½	" "	" "

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company are altogether within our State; and subject to our ex-
clusive Legislation. They have been several years in success-
operation. Their profits depend upon a large and inexhaustible
trade; the returns of which, being published weekly, keep up pub-
lic confidence, by removing any uncertainty or doubt as to the con-

come possessed of the first mentioned loan, by transfer from the original holder."

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TABLE of actual sales of in Philadelphia and New York, from February^d, 1833, to February 1834.

STOCKS.	Par.	February.	March.	April.	May.	June.	July.	August.	September.	October.	November.	December.	January.	Last Sales known to us.		
Penna. 5 per cts., due to 1841	100			106			105½	109½				101½		99	February 15,	February & August
" " " " 1853	"	113			112				112		107	104½		100	" 14,	" "
" " " " 1854	"	113½	112½	113				112½	112½ to 110½	110½ to 108½	107½			100	" 18,	" "
" " " " 1859	"	116		114	114½			116½						99	" "	" "
Bank of the United States,	"	104	109	110 to 112½	111½ to 113	112½	1 to 109	111½ to 113½	110 to 107½	109 to 107½	107½ to 105½	106½	103	103½	" 27,	January & July.
" of Pennsylvania,	400	549			552			548		532	520	520 to 525		520	" "	" "
" Philadelphia,	100	114			117½			116½	117	120 to 119	115	113½		100½	" 25,	May & November.
" Commercial,	50	65					67½	69½	69		68 to 65	60		60	" 21,	" "
" Farmers' & Mecban.	"	68½	68½	70	71		68½	69½	70½	69½ to 72	67½			62	" 18,	" "
" Mechanics'	35	52½	52½	53½			54	58		57½	54	52		46	" 21,	" "
" Girard,	50	59½	60	61½		60	59½	61	61½ to 67½	67 to 69½	64 to 60½	62½ to 54		55½	" 27,	" "
" Western,	"	63	63	64½	65	64	64	64 to 56	55	57½	57	59	52	51	" "	" "
New Orleans Canal Bank,	100			118		119	113½	114½	114	114½ to 112	111	107½	97 to 94	95	" 25,	June & December.
" City,	"			113				115	114½ to 111	112 to 114½		105½	97 to 96½	99	" "	March & Sept.
Schuylkill Navigation Co.	50	107	115	117½ to 129	125	127½	124 to 128½	125 to 118½	120	115	112½	110 to 98	102½	94	" 22,	Feb'y. & August.
Delaware & Hudson Canal,	100									123 to 121½		99½ to 91	76 to 68½	76	" 25,	June & December.
N. Castle & F. Town Rl. Rd.	25			42½ to 43½	43	37½ to 39½	40 to 38½	38½ to 40½	40	38½ to 39½	39	40½		35½	" "	January & July
Camden & Amboy Rail Road	100		148	155	160	147½ to 140	138	138	139			125		121	" 27,	" "
Mohawk	"	"								114½ to 117			90 to 82½	87 to 87½	" 14,	" "
Saratoga	"	"								109 to 112			95 to 90	90 to 90½	" "	" "

to February
Penn
January.

This pressure appears to be neither limited in its extent, nor local in its character. The memorials presented to Congress by immense meetings of citizens of Massachusetts, New York, New Jersey, North Carolina, Georgia and other States are conclusive evidences, that the same evils are felt at a distance. The presses of almost all our Western and Southern States, have, without distinction of party, admitted its existence.

In our own Commonwealth large meetings have been held in distant sections of Country, and the unparalleled number of signatures attached to the memorials from the cities of Philadelphia, and Pittsburg and from the counties of Berks, Northampton, Schuylkill, Chester, Lancaster &c. are among the painful evidences of severe and heart-rending distress.

In proceeding to enquire into the sources of it, we readily discover, that no ordinary cause could have produced so sudden and so general a prostration, as that which we witness. The change in the prices of our stocks has been too rapid to be the result of any but extraordinary causes.

In comparing the prices obtained in 1832 and 1833 we observe a diminution in the latter of about one and one third per cent; while in 1834, no proposals whatever have yet been obtained, and even a small temporary loan has been with difficulty negotiated.—The slight depression, which was felt last winter appears to have increased in August and September, from which moment it has been uninterruptedly felt, and has been accompanied by a pressure in the money market, which seems to reach at this moment a point almost unknown in our country.

And yet, during this time, no physical convulsions, no revolutions or disturbances at home, or abroad, have occurred to produce it; our foreign commerce has met with no serious or unforeseen losses. The whole world is at peace; no belligerent powers have again ventured to question our rights of neutrality. At home, the last twelve months were marked by an unusual degree of health. Our crops both in 1832 and 1833, were fair averages; the value in foreign markets of our staples has been such as to encourage our industry. The rise in the price of cotton in Europe is calculated to benefit the whole country. With so many sources of wealth and happiness around us, it must be our own fault, the result of misrule and misgovernment, if the country be so much depressed.

From the table previously inserted, we have selected the stock of the Schuylkill Navigation Company as a fair standard of the condition of the money exchange; because it is one of established & accredited value in the Philadelphia market. The works of that company are altogether within our State; and subject to our exclusive Legislation. They have been several years in successful operation. Their profits depend upon a large and inexhaustible trade; the returns of which, being published weekly, keep public confidence, by removing any uncertainty or doubt as to the con-

dition of the works, or as to the extent of their usefulness. In the ordinary course of events, this stock is now relieved from all the usual contingencies of new and untried schemes. The trade upon that canal can at no time materially decline; it must on the contrary gradually increase until it shall attain the maximum of which the capacity of the works will admit; and the dividends, far from being materially depressed, must continue to increase until they shall reach the maximum permitted by law.

The prices of this stock are therefore a fair test of the condition of the money market.

They have varied as follows:

In 1833 in June it sold for \$	127½	for \$50 paid.
July	124	126½
August	118½	125
September		120
October		115
November		112½
December	110	98
" 1834 " January		102½
February	92½	94

The dividends made for the last two years were as follows:

In August	1832	5 per cent.
" February	1883	5 " "
" August	"	6 " "
" February	1834	5 " "

That the depression since July last was not occasioned by a diminution in the business of the company will appear from the following statement, for which we are indebted to its officers.

The receipts from the Schuylkill Navigation company, were in 1833—

In April	\$34,740 22	July	\$45,842 18
" May	41,584 91	August	38,635 17
" June	42,214 30	September	47,523 04
	<hr/>		<hr/>
	\$118,539 43		\$132,000 39

Thus showing an increase of business in the 2d quarter over that of the 1st quarter, of the summer operations.

With all these facts known to the public, the stock, which at this time last year sold for about \$122 and which in June last sold at \$127½, is now worth only from \$92½ to \$94.

These changes have by some persons been ascribed to an actual scarcity of money in the country. This the committee do not admit to be the case. Money, that is to say, specie, is perhaps as abundant now in the United States, as almost at any former time; certainly more so than it was at this time last year.

The returns of the Bank of the United States shew, that its specie on the 1st of January, 1833 was \$8,951,847 60
 " " 1834 " 10,031,237 72

Exhibiting an increase of \$1,079,390 12
 In the Pennsylvania State Banks the specie was
 On the 3d of November, 1832 \$2,954,047 44
 5th " 1833 2,909,105 66

Having fallen off only \$ 44,941 78
 In the Banks of the State of New York, the specie in the
 Safety Fund Banks was
 In 58 Banks, on the 1st of Jan. 1833 \$1,792,392 81
 66 " " 1st of Jan. 1834 2,196,957 79

Having in the Banks subject to that fund an increased quantity of specie of* \$ 404,564 98

The annual importations and exportations of specie into and from the United States, are certified by the Register of the Treasury, to be, for the year ending Sept. 30, 1833.

	Gold.	Silver.	Total.
Importations	\$335,118	\$4,147,386	\$4,482,504
Exportations	472,791	1,291,299	1,764,090

Excess of importations over exportations. \$2,718,414

Taking a lapse of several years we find the importations and exportations of gold and silver Bullion and specie for five years from 1828 to 1832, both inclusive, as follows :

Importations.	Gold Bullion	\$563,767
" Specie	3,571,029	
Silver Bullion	3,774,512	
" Spécie	28,393,512	
		36,302,820

Exportations.	U. S. Gold and Silver coin	5,704,483
	Foreign do. do.	23,486,524
	" Bullion	818,955
		30,009,962

Excess of importations over exportations \$6,292,858

*This increased specie does not indicate in those Banks an increased strength as will appear from the following summary of the two last Reports of the New York Bank Commissioners :

	Capital.	Circulation.	Specie.
Jan. 1, 1833, in 58 Banks,	20,175,800	12,215,926 18	1,792,382 18
" " 1834, 69	22,730,264	15,102,705 54	2,196,957 79
Increase in 1833,	2,544,464	3,186,779 41	404,564 98

[Extract from Wallenstein's & Vansand's tables, quoted at second hand.]

Taking the returns of the U. S. Mint for the coinage of Gold, produced from the gold region of our Southern States, we find that the coinage was as follows :

The aggregate of 5 years fr. 1824 to 1828 inclusive	\$109,000
For the year 1829	140,000
1830	466,000
1831	520,000
1832	678,000
1833	868,000

Shewing a coinage of American gold to the amount of \$2,781,000

This coinage, which has been constantly increasing for a few years past, and which there is every reason to believe will continue to increase for many years to come, constitutes, however, but a portion of the gold obtained from that region; in the opinion of the experienced director of our Mint, not much exceeding one half the quantity, which it produces.

Whether therefore we consider the returns of specie made by the Bank of the United States, by our State Banks and by the Banks of the State of New York, or the returns of the Register of the Treasury as to the Importations and Exportations of last year; or the tables for several years past, which were published by careful compilers, or the produce and coinage of gold from our mines for a term of years, we will have no reason to doubt, that specie is at this moment as abundant, if not more so, than it was last year, and probably more so, than it has been for several years past. A fact well according with the experience of all, who travel extensively through the country; and who have observed, that there is ~~no~~ scarcity of it for the purposes of change, throughout Pennsylvania; except perhaps in some of our remotest counties, distant from any banks, and bordering upon those States, which still permit the issue of bank notes of small denomination.

The true cause of the pressure in the money market is to be found most unquestionably, as the committee believe, in the destruction of all confidence created in the Commercial community, by the present alarming state of our affairs. When an entire change of the whole financial arrangements of a Country is apparent; when those who wield the power of the Union distinctly avow a determined purpose to make experiments upon the great interests of the country, and to pursue their measures until they shall be satisfied of their inefficacy; however destructive such experiments may be to the pledged faith of the country, however repulsive to the first principles of political science, however opposed to the lessons of experience and history, it can be no matter of surprise, that the whole community should be alarmed; that each individual should endeavor to draw to himself all his resources; and that that

mutual confidence and support, which constitute the basis of commercial prosperity and security should instantaneously cease to exist. The results of this want of confidence might be easily foreseen, and experience shows that all have been produced in this case. The circulation of our paper money becomes more contracted, or more dangerous; a panic is created; all private paper transactions are checked; drafts, promissory notes, bills of exchange, (the value of all of which consists in the confidence placed in the solvency and fidelity of the drawers, indorsers, or acceptors,) become worth no more than a blank sheet of paper. The facilities for commercial exchanges (both domestic and foreign) being destroyed, all mercantile transactions are paralysed; and we return suddenly from a high state of trading prosperity to the contracted intercourse of nations that deal exclusively by barter. These results have been apparent in our cities, and their influence must soon be felt all over the country; not a cabin, however humble, can hope to be beyond its reach.—All the floating capital, which of late assisted in any judicious enterprize is now hoarded up with more than miserly care: for who that has, by hard toil and industry, secured to himself, and to those dependant on him, the means of livelihood, will be willing to risk it in schemes liable to be affected by the experiments of those in power? In order to estimate the extent to which a pressure may be produced by such causes, it is well to bear in mind the ample range given to the term “circulating medium” or “currency” of a country, by Mr. Gallatin, who extends it to “whatever commodity or species of paper may, by law or *general consent*, be universally received in any country in exchange of every other commodity, and in payment of all debts.” That general consent depends, of course, upon general confidence, and ceases as the latter is withdrawn. To what extent this system of credit transactions may ramify, when founded upon a safe basis, we learn from the fact, that while the circulation of the Bank of the United States was, on the 1st of January, 1833, only \$17,459,571 79, the amount of exchanges carried on by means of that bank, in 1832, was no less than \$225,174,647; its exchanges amounting to nearly fifteen times its circulation. The currency of a country resting thus upon general confidence, its issues are expanded or curtailed exactly in the ratio in which that confidence prevails;—hence it is, that while the specie and the circulation (bank notes) of a country may remain unaffected, there may be an abundance or a pressure in the money market.

The committee are aware, that it was asserted at one time, that this pressure was occasioned by a want of confidence in the soundness of the Bank of the United States, and they know, that an attempt was made to impair its usefulness by an imputation upon its solvency. The absurdity of the charge has caused it to recoil upon the weak individuals, that circulated it.

The solidity of the bank will appear from the following State-
ments of its resources and liabilities on the 1st. of Jan. 1834 and

on the 1st. of Feb. 1834, which we may compare with those of the Bank of England on the 1st. of January and on the 1st. of Dec. 1833, as obtained from the latest returns from Europe.

1834.

Jan. 1.

Condition of the Bank of the United States and its offices.

Bills discounted	\$38,609,069	46	
Domestic bills of Exchange	16,302,392	24	
			54,911,461 70
Funds in Europe	1,801,669	48	
Due by State Banks	1,536,745	68	
Notes of do.	1,982,640	33	
Specie	10,031,237	72	
			15,352,293 21
Real Estates			2,930,533 80
			\$73,194,288 71
Circulation	\$19,208,379	90	
Deposites, public	4,230,509	63	
" Private	6,734,866	06	10,965,375 69
			30,173,755 59

1834

Feb. 1.

Bills discounted,	\$37,544,252	82	
Due bills of Exchange	17,298,720	82	
			54,842,973 64
Funds in Europe	1,644,415	75	
Due by State Banks	1,386,951	65	
Notes of do do	1,824,434	37	
Speice	10,523,385	69	
			15,379,187 46
Real Estate			2,940,168 51
			\$73,162,329 61
Circulation	19,260,472	90	
Deposits public	3,066,561	72	
" Private	6,715,312	60	9,781,874 32
			*29,042,347 22

* Since this report was made to the House, and while it was in the press, the statements of the Bank for the 1st of March have been made up and published.

We extract the following in further confirmation of the views expressed in the report; we doubt not they will be satisfactory to every candid inquirer after the truth.

First Monthly Statement of the Bank of the United States and its Offices.

1834, March 1.

Bills Discounted,	\$37,381,131	86
Domestic Bills of Exchange,	18,786,698	00
		\$56,167,829 86

Condition of the Bank of England, January 1, 1833:

Circulation, £27,912,000

Deposits, 11,737,000

Total liabilities, £39,649,000 Bullion, £8,983,000.

December 3d, 1833:

Circulation, £18,659,000

Deposits, 12,465,000

Total liabilities, £31,074,000 Bullion, £10,134,000

As a further proof of the solidity of the bank, the committee refer to the prices now paid for its stock, which indicate as great a degree of confidence in its security as in that of any other stock in the market. The fluctuations, in the last twelve months, are singularly small.

It was sold in February, 1833, for - - - 104

And on the 22d of February, 1833, 44 shares were sold at 103½

23d " 1834, 31 do " " 103½

26th " 1834, 44 do " " 103½

By other individuals, the pressure has been ascribed to the change in our Custom House regulations, by which the merchants were called upon to pay cash duties, instead of receiving the usual facilities of eight, ten, and twelve months credit. This opinion the committee believe to be equally erroneous. The extent of a pressure, arising from this source, though it may not be actually ascertained, may be readily determined with sufficient certainty for the object which we have in view. The whole amount of duties secured at the port of Philadelphia, during the year 1833, did not much exceed, or fall short of, three and a half millions of dollars; only a small portion of which was liable to the effects of

Funds in Europe, 1,916,376 94

Due by State Banks, 129,251 85

Notes of State Banks, 1,906,734 38

Specie, 10,385,439 15

Real Estate,

14,337,802 32

2,927,170 57

£73,432,802 75

Circulation, 18,523,189

Deposits, Public 2,604,233 62

" Private 7,343,129 92

9,947,363 54

28,470,552 54

Total loans.

Total deposits.

Jan. 1, 1834. 54,911,461 70

10,965,375 69

March 1, 56,167,829 86

9,947,363 54

Increase of loans in 60 days, 1,256,368 16 decrease of depos. in do. 1,018,012 15

this change in the system, and the long notice which our merchants had of its commencing on the 1st of September last, would enable them to limit their importations, or to be prepared to meet this new order of things. At the same time it is evident, that had the Custom House bonds continued to be payable at, and collected by the Bank of the United States, a slight extension of its discount line, at that time, would have been as convenient to itself as effective to the importers, in relieving them from any pressure. In this case, the bank would have stepped in as the creditor, instead of the United States' government; and might have discounted the importer's note with the very funds received from this system of cash duties. The bank notes issued in the morning, as a discount, would have been returned to the bank, before three o'clock, in payment of the duty; but it is evident, that this cannot be done with safety to the bank, while the duties are deposited in the Girard Bank, or in any other place than its own vaults; since, in such a case, the notes would return before three o'clock to be converted into specie. That the new deposit banks, selected by the Treasury Department have failed to extend this relief, by affording analagous facilities, is now no longer a matter of doubt, Experience has shown, that they will not, and that, if they would they could not afford this assistance to any very great extent.

The committee are also aware, that by a few unreflecting persons the pressure has been ascribed to over-trading; an opinion equally unsound with all those previously refuted. This arises from entirely overlooking or mistaking the character of the times; and the manner in which the evils arose. The committee cannot express their views on this subject better, than in the words of one of our ablest and most experienced financiers, whose opportunities of deep research and extensive observation have probably exceeded those of any other individual in this country.* "There is," says Mr. Gallatin, "this difference between a commercial distress, and presumed scarcity of currency due to internal causes, whilst the foreign exchanges remain favorable, and a similar distress arising from large foreign debts, and accompanied by an unfavorable rate of exchange, that in the last case there is an exportation of the coins of the country, which cannot take place in the first. If the same effects, in other respects are nevertheless the same in both cases; if in both, the same, and sometimes general distress equally prevails; if the same difficulty occurs in the payment of debts; if the same complaint is made of want of money, whether specie is exported or not; it is obvious, that there must be another cause besides an actual scarcity of currency for the real distress which is felt, and that what is called "want of money" is not "want of currency." It will be found that this cause is, universally over-

* Considerations on the Currency and Banking System of the United States, by Albert Gallatin, 1831.

trading, &c." Now, it appears clear to the committee, from the opinion of all experienced merchants in our commercial cities, from the returns of the imports and exports throughout the country, from the low rates of foreign exchange, from the importations of specie recently made from Europe, from a close review of the condition of our trade and industry, during the preceding twelve months, from the number of failures, which, though great, is much less than was apprehended under this long and unusual pressure. that far from having overtraded, the community must have been at the time when the pressure commenced, in an unusually sound and healthy condition. To this alone are we to ascribe the power which it has had to support itself in so trying a crisis; but it must be apparent, that this power is gradually wasting itself away, and that the efforts made to resist the pressure must finally wear away the energies of even the strongest among us.

As none of the causes, which we have examined, can account for the evils, which we feel; it is evident that they proceed from another source; which in the opinion of the committee is the removal of the deposits from the bank of the United States, and the perseverance of the federal Executive in a course of open and avowed hostility to that institution.—To this cause, we must ascribe the curtailment forced upon the bank, and which now re-acts upon the whole community. As the bank of the United States ceases to discount freely, all the state banks must pursue a similar policy; or their paper would soon return upon them, with a rapidity, which would drain their vaults of specie. The withdrawal of the deposits from the bank of the United States must also check its ability to extend, to State banks, the facilities which it had usually afforded them; facilities, which the new deposite-bank has not replaced, and which it cannot extend. The amount of these facilities is not sufficiently known and appreciated by the whole community, though felt and acknowledged by almost all our State Banks. In the memorial submitted by some of them to congress, they state that "until the 1st of October the revenue paid by the whole country was diffused by the Bank and its branches, throughout the whole community to be used for the support of the industry of the whole; and gently recalled, when needed for the service of the whole; while the Bank, as the common friend of all sound State Banks, uniting with and sustaining them, was enabled to supply an adequate circulating medium from its own resources, and to preserve in a uniform and sound condition the issues of the state institutions. Now the public revenue is no longer diffused throughout the whole Union; it cannot even be advantageously used where it is collected; and the Bank of the United States, whose expansive power and credit have been so frequently employed to relieve the community, must look necessarily and primarily to its own security."

From an official document, now before the Committee, it ap-

ars, that while the monthly collection of Bonds at the Port of Philadelphia averaged only about \$300,000 during the first nine months of 1832; the daily balances due by the Banks of the City and liberties of Philadelphia to the Bank of the United States, during the whole of the year 1833, averaged upwards of \$216,500, and that far from curtailing these facilities, after the removal of the deposits, the daily balances averaged for the last three months of 1833 upwards of \$239,000.* So that it appears, that the balances due by our State Banks in the City of Philadelphia swept away a very large proportion of the amount of public moneys deposited in the Bank of the United States. This is a fact to which the Committee invite the careful attention of the House. The beneficial effect of this upon our country-banks was sensibly felt. While the City Banks were permitted to have heavy balances owing to the Bank of the United States, they were indulgent to the Country Banks. The advantages, which the City Banks thus received from the public moneys deposited in the Bank of the United States, were by them extended to the Country Banks, and, by means of these, diffused throughout the whole State.

At this time, a new order of things has arisen; the transfer of the public moneys compels the Bank of the United States to call upon the state banks in the city; and these press upon the country banks to pay up their balances. The country notes no longer circulate to the same extent; this must compel these institutions also to curtail their accommodations, with a view to meet this new condition of our currency. Its effect is visible in all our domestic exchanges. The notes even of some of our soundest country banks are no longer received in deposit in the city banks. Maryland and Delaware money is at a discount in Philadelphia; and so great is the difficulty of effecting exchanges, so indispensable is the paper of the Bank of the United States for this purpose, that, on several occasions of late, the officers of deposit-banks have been obliged to apply to the Bank of the United States for its notes, in order to remit them to a distance. Specie was tendered by the Bank of the United States, and declined, because it would have been too expensive and hazardous to send. The deposit-banks could not send their own notes to a distant state, where their value would have been very questionable; and therefore, as the notes of the National Bank formed the only convenient remittance for national purposes, they were asked as a favor, and granted. Of the risks

* The amount due by all the State Banks in the Union to the Bank of the United States and its several branches was

On the 1st of October, 1833,	\$2,280,000
“ “ 1st of January, 1834,	1,530,000

Making a reduction in three months of	750,000
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while the public deposits had been reduced in that time upwards of five millions wit from nine millions down to four millions. [See Appendix, D.]

that now attend our domestic exchanges, we see painful proofs in the late protests in Philadelphia of drafts and notes, not merely of banks in the State of Ohio and other distant states; but also of banks of this commonwealth, whose names are in the possession of the committee, but which they withhold so as not to add to the difficulties under which those institutions now labor.

That the State Banks have received no benefit from this new order of things is evident from the embarrassment, of which all complain, and of which no proof can be adduced more striking than that drawn from the Governor's late message, which shows that the temporary loan of \$300,000 authorized by act of the 27th of Jan. last, had not then been entirely taken; and that the applications made by the Governor to the State Banks had proved ineffectual. It appears also, that the difficulty presses at least as much upon that bank, which was supposed to be favored by the transfer of the moneys from the bank of the United States to its vaults; since the Girard Bank was the last to come in to the assistance of the state in this emergency; while the Bank of Pennsylvania, the Philadelphia Bank, the Schuylkill Bank, the Commercial Bank and others, came out at once, if not largely, at least to the fullest extent of their abilities.

The committee are aware, that it is assumed by some, that the Bank of the United States has it in its power to prevent this distress or to relieve it, by extending facilities to commercial men. Without stopping to inquire into the right to dictate to that institution the course which it should pursue, or to scan the motives of those who, while they deprive it of one of its most valuable rights, that of keeping the public moneys, or who sanction this measure on the part of others, ask it to extend its favors to men in business, we may well express our decided opinion, that the removal of the deposits has made this a measure of utter impossibility. It must be recollected, that the President of the United States has repeatedly placed before congress his views of that institution in terms of the most embittered hostility; that, not satisfied with calling in question the constitutionality of a bank, which almost every president from the time of the immortal Washington, and every Secretary of the Treasury from the foundation of our government down to the present incumbents, had deemed essential to the well being of the country, he has sanctioned and still contemplates measures, intended and calculated to break down and dishonor that institution. It is a melancholy evidence of the situation of our affairs, that an attempt was made to break one of the distant branches of that bank, (at Savannah,) by a sudden call upon it, to redeem a very large amount of its notes (\$350,000) which had been carefully hoarded up by brokers in one of our principal cities, who, we are advised, had received facilities in the execution of this plot from one of the deposit-banks, to which the moneys withdrawn from the Bank of the United States had been

transferred. Fortunately for the honor of the country, and of the bank, a prudent direction had foreseen the danger and guarded against it, and the issue of the conspiracy was as unprofitable to the aggressors, as it was harmless to the institution. When, however, such attempts are made to impair the stability of the bank, and to weaken the confidence of the public in the ability with which it is managed, it would be worse than folly, it would be crime in the directors to lose sight for a moment of the great interests confided to them. The President of the United States has lately declared to a committee of our own citizens, that he had "a measure in contemplation which will destroy it at once, and which he is resolved to apply, be the consequences to individuals what they may. The bank has in circulation ten millions of checks, which he has no doubt are illegal, and which he will direct the state banks to refuse in payment of the public revenue. These checks must then be returned upon the bank, and will drain her of the specie she is hoarding."

At other times, a generous exposure on their part might evince a magnanimity, that would be excusable if not commendable ; but in moments like these, such a course would, in the opinion of the committee, be wholly unwarrantable. This institution may be viewed, both as a corporation, managing the funds and interests of individuals, and as a great engine, created by the legislative power of the Union, to establish and maintain a sound currency throughout the country. In either light the Directors are but trustees for the public good ; and it behooves them so to use their powers as best to answer the great purposes for which it was created. If from a generous desire to promote the interests of the commercial cities, in which the Bank and its branches are placed it were to extend its favors so largely at this time as to endanger its own security, it would seriously prejudice the interests of its stockholders, among whom are many, whose helpless condition entitles them to the particular watchfulness of their trustees in the Board. But it is chiefly, as a great public corporation, specially appointed to watch over the soundness of our currency, that the Bank has public duties to discharge, and an attempt to create on its part, or to countenance on that of the State Banks, an over-issue of paper, would be a violation of public trust, evincing a total disregard of public duty, and justifying the most severe censure. Its own interest is to extend, at all times, its business as widely as may be done, consistent with its security. And a careful perusal of the annexed statement, will show that its course toward the community has been neither unkind nor illiberal.

**STATEMENTS of the business of the Bank of the
United States, for the years 1832, 1833 and 34.**

	Total Dis. and Domestic Bills of Exchange.	Pub. Deposites	Private Deposites.	Total Deposites.
1832 Jan.	66,293,707 21	12,589,363 69		
" July,	68,416,081	11,872,108 87		
" Aug.	68,008,988	12,137,908 17		
" Oct.	63,693,310	13,661,193 01		
" Dec.	61,571,625	12,278,069 12		
1833 Jan.	61,695,913 57	12,752,543 85	7,518,677 26	20,271,221 11
" July.	63,369,897	6,511,503 32		
" Aug.	64,160,349	7,599,934	10,152,143	17,752,074
" Oct.	60,094,202	9,868,435	8,008,862	17,877,297
" Dec.	54,453,104	5,162,559	6,827,173	11,989,432
1834 Jan.	54,911,461 70	4,230,509 63	6,734,866 06	10,965,376 69
" Feb.	54,842,973	3,060,561 72	6,715,312 60	9,775,874 32

Business of the Bank of the United States at Philadelphia.

		Discounts.	Domestic bills of Exchange.	Total Dis. and Domestic Bills of Exchange.	Total Deposites.
1833	Oct. 3.	6,575,482 54	1,868,968 80	8,224,341 34	3,528,045 13
1834	Jan. 20.	5,913,469 25	1,373,030 35	7,286,499 60	2,154,148 16
"	Feb. 5.	5,914,830	1,208,228 68	7,123,058 68	2,164,290 27
"	" 17.	5,942,732 39	1,115,660 55	7,056,392 94	1,986,747 24
"	" 27.	5,955,635 87	1,055,128 29	7,010,764 16	2,033,524 01

Business of the Office of Discount and Deposit, at New York.

		Discounts	Public Deposites.	Private Deposites.	Total Deposites.
1833	Jan. 1.	5,573,507 89	4,006,500 31	1,095,199 75	5,101,700 06
"	Oct. 1.	6,180,883 40	4,130,322 42	1,354,255 66	5,484,578 08
1834	Jan. 1.	6,007,471 76	651,760 51	890,108 20	1,541,868 71
"	Feb. 1.	6,458,540 70	258,350 37	1,080,421 10	1,338,771 47

From the foregoing table, we draw the following results:

Dis'ts & Domes. bills. Pub. & Priv. Deposites.

1.—1833, Jan. 1,	61,695,913 57	20,271,221 11
1834, Feb. 1,	54,842,973	9,775,874 32
Decrease	6,852,940 57	10,495,346 79
		6,852,940 57

Reduction in deposits exceeds that in loans by 3,642,406 22

2.—1834, Jan. 1,	54,911,461 70	10,965,375 69
1834, Feb. 1,	54,842,973	9,775,874 32
Decrease	68,488 70	1,189,501 37
		68,488 70

Reduction in deposits exceeds, that in the
loans, by

1,121,012 67

Bank in Philadelphia.

3.—1883, Oct. 3,	8,234,451 34	3,528,045 13
1834, Feb. 1,	7,010,764 16	2,033,524 01
	<hr/>	<hr/>
Decrease	1,223,687 18	1,494,521 12
		<hr/>
		1,223,687 18

Reduction in deposits exceeds that in loans 270,833 94

4. *For the Branch at New York.*

1833, Oct. 1.	6,180,883 40	5,484,578 08
1834, Feb. 1,	6,458,540 70	1,338,771 47
	<hr/>	<hr/>

Increase 277,657 30 Decrease 4,145,806 61

So that in the case of this branch while the public and private deposits were reduced \$4,145,806 61, the Bank actually extended its accommodations \$277,657 30.

Thus whether we consider the operations of the Bank at large, or merely those in New York and Philadelphia we will see, how little cause there is for charging it with an undue reduction of business.

If to the operations in Philadelphia, we add that the Bank paid in that city, in the months of January and February, of branch notes due elsewhere the amount of \$1,344,345
And its dividends 1,225,000

Making an aggregate of 2,569,345

And if we bear in mind that in the early part of Feb. it loaned to the Mechanics' Bank, in addition to much assistance previously given to it the sum of \$130,000 to prevent that Bank from sacrificing in the market at any price a like amount of Pennsylvania stocks which would have depressed their value, and interfered with the proposals then advertised by the State, we will see that the Bank, far from pressing upon the trade of Philadelphia or contributing to the depression in the Pennsylvania stocks, had materially relieved the former, and assisted in supporting the credit of the latter.

After a careful investigation of the facts, that have appeared in this matter, the committee deem it a duty to state, that in their opinion these facilities have been extended as far as, under existing circumstances, prudence would permit. The correspondence lately transmitted by the Governor to our Senate, shews, that the contractors for our State loans are willing to admit the kindness and liberality, with which these facilities were afforded to them, and it is a fact well known, that to this assistance, in a great measure, were those gentlemen indebted for the means they had of continuing so long to execute a contract, which has been so ruinous to them. If in the mad party warfare, which is raging against it,

the public good should be so far lost sight of as lead to a crisis, which shall compel our State Banks to risk an entire cessation of specie payments, (an event, which the committee contemplate as neither improbable nor far distant,) the perils and difficulties, to which this institution will be exposed to maintain its credit will far exceed any trial that it has yet had to encounter; and if it should pass unhurt through that perilous ordeal, it will be a subject of congratulation, not merely to the stockholders, or to the friends of the Bank, but to every friend to his country and his country's honor, that the vigilant prudence of her Directors shall have so husbanded her resources, as to enable her to survive that hour of general bankruptcy.

But there are, as connected with the withdrawal of the public deposits from the Bank, other and more important considerations than those which result from the curtailment of its means of usefulness. In the opinion of the committee a great violation of public faith has been committed. The trust which had been reposed in the controlling power of the law has been impaired. We have lived to witness a stretch of power hitherto unparalleled in the history of our government. The committee deem it unnecessary to discuss here the terms of the charter of the Bank, and the right which it has to the public deposits. Suffice it to say, that their opinion upon this point conforms to that expressed by the committee of Finance of the Senate of the United States, whose argument appears to them unanswerable. Viewing the question in this light, the committee are of opinion, that public confidence in the security of our institutions, and in the all ruling power of the law, cannot be fully restored, until the hasty step shall be retraced, and the Bank of the United States replaced in the enjoyment of its chartered rights.

In considering the influence produced upon the credit of the Commonwealth, by the disordered state of our currency, it is easier to discover its causes, than to measure its effects. It would be a very superficial and imperfect view of the subject to consider the loss to the State, as indicated merely by the difference between the present prices of our stocks and those which they formerly commanded both at home and abroad. It is known to the Committee, that about this time last year, the largest importers of European manufactures, (whether for the use of our public works, or for individual consumption) had no better or more desirable mode of remitting their funds to England, than by sending out certificates of Pennsylvania five per cent. stocks of 1858; purchased even at an advance of from fourteen to sixteen per cent in this market, for which they found a ready sale in the London Exchange. For this purpose, they were eagerly sought after in our market in Feb. 1833; at present they lie at par, and even below this, without a purchaser, a dead weight upon the holder of them. In Europe they are no longer in demand. Upon this point the committee ex-

press a decided opinion, because the original letters from houses of the greatest respectability in London, that have been extensively engaged in the sale of Pennsylvania stocks, have been confidentially communicated to them; and from these they were permitted to make a few extracts, which are placed in a note. In order to estimate the value of these letters, it is well to bear in mind, that they were not written by politicians for political effect but by commercial men of great intelligence and shrewdness to their correspondents in this country, as a guide for future speculations. The first extract alludes to the publications of the list of foreign stock holders in the Pennsylvania loans, made last winter under the authority of the Senate.* In a letter from London of Dec. 21st an English Banker observes that they "wish no more consignments of American stocks at present," and the same writer observes, that we must not for a long time look to the prices of the year 1832. It is a fact known to the Committee, that large quantities of stocks which were sent to England to meet bills of Exchange have remained unsold and they are aware of cases even, in which Stock has returned to this country. In one instance, it is believed not less than three hundred thousand dollars was received by one house in a single day; which may be viewed as an actual abstraction of a like amount from the floating capital of the country, applicable to all the exigencies of trade and industry.

An opinion has prevailed with the narrow-minded and prejudiced, (and the committee fear that it has even been entertained by men of stronger intellect or more information on general matters, but who had not sufficiently reflected upon this subject,) that the investment of foreign capital in this country would be destructive of our property or of our independence. In what manner it can injure one who needs money to borrow it, where he can obtain it on the most advantageous terms, is a question which the committee profess themselves unable to answer. The affairs of States and nations generally depend upon the same principles which govern the intercourse of individuals. Who is there among us who

*Extracts from letters from———bankers in London to———

"We will here mention and draw your attention to Cobbett's Register of 10th of August reflecting most falsely and severely on the Pennsylvanian loans; it is not however this we mind, but he names from a New York list the European holders of this loan. This is interfering with private interests, and we deem a decided breach of confidence of which the Pennsylvania Bank, and the officers, who superintend transfers, should be made aware as preventing persons of consequence in England to invest, who do not like such disclosures.

In another letter we find."

"\$25,000 Ohio, 6. are offered for sale at 113 per. cent.—\$45,000 Penna. 5. of 58 at 104. The tendency is to sell American Stocks.—People express themselves disgusted with the President's conduct towards the Bank. The people as well as the public papers express apprehensions, that your monetary system is to be deranged. You may be certain, that it is not without serious pain we feel compelled to say so much."

would hesitate to sell a mortgage to a stranger, if he could thereby obtain money on more favorable terms than from a neighbor? Who, in the hour of need, would not prefer borrowing from a stranger the assistance he required in his business, than, by taking it from his brother, to cramp the resources of the family, and prevent the improvement of the family estate? If in borrowing on low terms, the operation be not equally advantageous to both parties, upon whom is the favor conferred? upon the borrower or the lender? If in the course of years, a future war should check the intercourse between the foreign loan holder and his debtors, upon whom will the risks and difficulties of the non-intercourse press most, upon the foreigner who may be unable to claim his semi-annual interest, or upon the Commonwealth in whose coffers it will remain idle until claimed?

Is it not the part of wisdom to accumulate our resources for the hour of need? and how can this be better effected than by permitting the floating capital of our country to be applied exclusively to the promotion of individual commerce and enterprise; drawing from the foreigner as much as we can of that which we need for our great public works. The committee have endeavored to estimate the amount of foreign capital now invested in the public stocks in this country. Impossible as it is to arrive at any accurate information on this subject, they are led to believe that it can not fall short of fifty millions of dollars, of which about ten millions are invested in the Pennsylvania loans and about eight millions in Bank of United States stock. (On the 1st of January, 1832, the stock held by foreigners in that Bank was \$8,405,500.) Had it been necessary to draw all this capital exclusively from our own citizens, must it not have been by a withdrawal of a similar amount from the active capital of the country? Must not some fields have remained unimproved, some furnaces been inactive, some factories not been created, some roads or canals been neglected, all of which are now adding to the strength and resources of the State? It is not, therefore, merely by the difference in the price of interest paid for money among the overgrown nations of Europe, or in our new and improving country, that we are benefitted when we borrow from the foreigner. This is but a small part of the advantage received. It is chiefly in the introduction of new capital, which, if our measures of administration wisely fostered it, would pour continually into the country, as from an inexhaustible feeder, supplying every deficiency in this country and making the foreigner dependent upon us, not us dependent upon him.

Looking into futurity, with that anxious solicitude which recent events are calculated to excite, are we not struck with the fact, that if indeed a change is to come on in the form of our government, that if our Union is to be dissolved, (an event once thought too improbable ever to occur, but upon which later observations are calculated to excite distressing forebodings,) is it not evident, that

in such a case, Pennsylvania, surrounded as she will then be, by powerful and enterprising but rival states, will need all her resources, and all her energies, to be prepared for the new situation in which she may then be placed? In that hour, (distant we hope, but we fear not altogether so remote as some have supposed,) it will be well for Pennsylvania that her own strength and prosperity shall enable her to cope with her great rivals. It will be well for her, if the statesmen of that day should be able to point to her steady and unwavering adhesion to the great principles of public faith and public honesty, (not only in her own state administration, but in the exercise of her political influence in the councils of the Union,) as an evidence, that she, as a nation, will then deserve the confidence of the world. Comparing the condition of the credit of the United States shortly after the formation of our government, with that of many, if not of all the new republics of Spanish America at this time, we find conclusive evidence, that public credit depends exclusively upon public faith. The high standing of our loans, (both federal and state loans) in Europe, was based upon the confidence which was placed in the stability of our institutions, and in the high moral tone of the principles of our government, compared with those which have usually actuated the councils of European monarchs. Previous to the late measures in relation to the Bank of the United States, a single instance, perhaps, of a breach of implied faith could be traced in the disappointment produced by the refusal, in 1811, to re-charter the old Bank of the United States, after having but a few years before sold at a very high advance to foreigners, all the stock remaining in the hands of government.* But the creation of a new bank, in 1816, was considered as an acknowledgment by the whole Union of the impolicy of the measures adopted but a few years before, and of a disposition to avail ourselves of the lessons of experience, and to retrace hasty or ill-advised steps.

By the resolution of the 20th of December last, the committee were also directed to "inquire how far the public interests might be promoted by the continuation of the operations of the Bank of the United States, under a charter from this commonwealth, should its present charter not be renewed by the United States."

This is an inquiry involving very grave considerations, present-

* When the first Bank of the United States was created, the government of the United States retained 5,000 shares, representing \$2,000,000.

In 1796-7, they sold at an advance of 25 per cent. 2,493 shares,		
which yielded,	- - - - -	\$1,295,800
In 1797, they sold 287 shares, at 20 per cent. advance,	- - - - -	187,760
And in 1802, they sold to Mr. Baring their remaining interest,		
say 2,220 shares, at an advance of 45 per cent.	- - - - -	1,287,600

Total proceeds of sale,	- . - - -	\$2,721,160
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ing some decided advantages, and giving rise at the same time to serious doubts. In the opinion of the committee, it would be inexpedient to prejudge the question, before a case actually calling for a decision shall occur; but they will present some of the observations in relation to the same, which mature and anxious reflection has suggested.

The case is not altogether a new one. Shortly after the expiration of the charter of the first Bank of the United States, a memorial was presented "from the trustees of the late Bank of the United States on behalf of the stockholders, praying that they may be incorporated for the full amount of their original capital, with permission to employ any portion of it in such other state or states as may by law authorize the same."* The memorial was, by a vote of 51 to 35, referred to a select committee, who soon after reported a bill to that effect, which was considered and negatived in committee of the whole; the House having agreed to the report of the committee of the whole, by a vote of 55 to 34, no further proceedings in relation to it were had that year. At the succeeding session the application was renewed, and met with a like fate. From the contents of a protest entered on the journals of that session, (January 25, 1812,) we learn, that the bank offered to subscribe half a million of dollars to sundry works of great public utility, such as turnpike roads to Pittsburg, to Waterford in Erie, to Reading, &c.; and also, "to loan to the commonwealth at any time during the continuance of the charter, the sum of five hundred thousand dollars, at an interest of five per cent. per annum, for the purpose of aiding the interior improvements of the state." No further application was made; the old bank wound up its affairs, the funds that had been invested in it by foreigners returned to Europe, and the finances of the country soon fell into that disorder and confusion, which shortly after led to the cessation of specie payments on the part of our banks; and from which, no relief could be obtained, until the creation of a new bank restored confidence, and with it, specie payments.

In enquiring into the question before us, we must consider the Bank of the United States as it now is; the rights secured to it by its charter and the extent to which these rights might be continued under a state charter.

It may be viewed as a banking corporation with a capital second in magnitude to one alone in the world; endowed with a national character; bearing to distant nations the impress of a national institution; in the direction of which the Government of the United States is largely represented; whose operations are closely watched and may, under certain stipulated circumstances, be checked by the Government; with power to be heard, both as plaintiff and defendant, before the national tribunals; exempt from state taxation

* Journal of the House of Representatives, March 18, 1811.

and State regulations invested with the privilege of establishing branches "wheresoever the directors shall think fit within the United States or the territories thereof;" recognised by law as the collector, depository, distributor, and payer of the revenues of the Union; issuing a paper currency, which by law is made receivable in payment of all debts to the Government of the United States.

In addition to these, its inherent advantages secured to it at its creation, it enjoys in a high degree the confidence and attachment of all those engaged in commercial or financial transactions, who have dealt with it, not only at home but also abroad; not on this continent, alone, but likewise in the remotest corners of the world. As an evidence of the extent to which this confidence has been carried, the Committee ask leave to state one or two facts well known to them. For many years past, while the governments of Spanish America were the scene of frequent changes of rulers, and of occasional revolutions involving the fortunes and credit of the commercial men of the country, great difficulties and risks were experienced in the purchase and sale of bills of Exchange. And such as had money to remit to those countries were unwilling to purchase bills [however good the drawers here might be,] lest they should be protested abroad. In such a case it was once suggested to deposit the money in the Bank of the United States, and to take drafts of the mother Bank upon one of its branches, for the amount payable at sight. The transaction proved to be a highly advantageous one. Such was the confidence in the character of the institution, that these and subsequent drafts of a similar nature, commanded a high premium in the foreign market, and were sold several per cent. higher than the best private bills in the country. The reputation of the Bank is still so high, that a person recently returned from Mexico reports, that United States Bank notes of \$100 are at a premium of four per cent. In the island of Cuba these notes are constantly in demand at two per cent. advance, for the purpose of remittances; and a highly respectable merchant in Philadelphia has assured the committee, that "when in London, he saw bills of Exchange of the United States Bank, drawn on London, that had been negotiated in Canton, and had before reaching London, been transmitted as remittances to Manilla, Batavia, Calcutta, Madras, Alexandria, Marseilles, Hamburg, &c. &c. and after circulating for twenty-eight to thirty-six months, throughout the Eastern Hemisphere, made their appearance in London where they were paid."

Such are the character and standing of this institution, recognized by all commercial men throughout the world, as second to none in the importance and magnitude of its operations, in the fidelity and ability of its direction, in the purity and brilliancy of its unsullied honor.

Identified as these have been with Pennsylvania, by its location in this state, it becomes an object of great interest to inquire, how far these advantages could be perpetuated under a state charter? To an extent, in the opinion of the committee, great at first, but which must gradually decline.

The corporate title being preserved, its name would for a while identify the new with the old bank, and secure to it at least the appearance of a national institution; but this impression, as in the case of the Bank of North America, would gradually wear away, until it became merely a matter of history or tradition.

The power to establish branches would be subordinate to the will and caprice of four and twenty (or more) state legislatures: and although there is no doubt that, at first, many, perhaps a majority of the states, certainly more than a third, would cheerfully extend to it free and liberal charters; yet, in the course of time, these would be so altered or fettered with restrictions, (the result of local jealousies,) as to convert them into gifts of very questionable value.

Its right to be heard before the tribunals of the Union, is, perhaps, if maturely weighed, one of its most valuable and essential privileges. To those who reflect upon the fluctuating character of the judiciary of the several states, and upon the tendency of all our institutions, the importance of our national tribunals becomes more apparent. There is scarcely an individual, largely concerned in the business of the country, who has not had occasion to lament, at times, that local sectional or temporary excitements should obscure the vision even of the most intelligent, upright, and independent judges; producing contradictory decisions on most important questions of law. Every individual, conversant with our law reports, may find instances, in which cases, under the Constitution of the United States, have received different adjudications, according to the prevailing opinions or wishes of the several states, by whose tribunals the questions were considered; and this may be said without any disparagement of the learning and integrity of the eminent men who composed those tribunals. How indispensable is it then to a Bank of the United States, that, extending its operations throughout the whole Union, it should have the right to claim the protection of tribunals, not swayed by local interests, or affected by sectional questions. So long as the national judiciary shall maintain the lofty eminence which it has heretofore occupied, thus long will its authority be essential to a Bank of the United States. This is a privilege, which, under a state charter, could not be secured to the bank.

The collection and safe keeping of the revenue form another important branch of the privileges essential to a national bank. Without it, it would be unable to maintain that influence over the currency of the country, and over our domestic exchanges, which are amongst the most valuable blessings we owe to it; without it, it be-

comes questionable, to what extent distant branches would really be useful. The experience of our state banks, in relation to branches, is believed to be unfavorable; whether branches, out of the state, could be maintained with security, while the currency of the country was in a state of disorder, is at least a matter of doubt.

Without branches, or with but a few, the Bank of the United States would be deprived of those extensive sources of information, that have enabled it to foresee, and provide in time, for the ever varying wants of the community. In the opinion of the committee, these means of information, and the consequent results of it in the hands of an intelligent direction, upon the domestic exchanges of the country, have greatly promoted our prosperity.

It may also be feared, that other states would soon create similar institutions, invested with a like power to establish branches, wherever legislative sanction for it could be obtained. Two or more institutions of this kind might, in the words of an experienced adviser, "only aggravate existing evils, and increase the dangers which threaten our banking system and paper currency."

Such are, in the opinion of the committee, some of the evils to be apprehended from the continuance of the bank under a state charter; and some of the limitations to the usefulness of such an institution. But, on the other hand, it must be borne in mind, that the valuable information and experience acquired by the bank and its officers, and their extensive acquaintance and correspondence throughout the Union, would be long preserved within the walls of that institution; enabling it, even under a state charter, to cope with other state corporations. That for many years (one generation at least) it would be the depository of the confidence of foreigners; who (should the present bank go down) will beware, how they again trust their funds to the fluctuating policy of Congress, which twice (under circumstances of aggravating severity) lured them into a snare. In this respect the consistent and upright policy of Pennsylvania, which has uniformly renewed the charters of her banks, would stand in bold contrast; they would remember, that with us the limitation in a charter is not viewed as indicating a doubt as to the propriety of continuing a bank, which has been well administered, but merely as a check against mal-administration, and as a means of revising periodically our banking laws, according to the increased experience of each generation.

In this manner, the large capital of the Bank of the United States, with its ten millions of specie, and its eight millions of foreign capital, would become, as it were, the property of Pennsylvania; aiding us in our exigencies, vivifying our industry, permeating every channel of commercial enterprise, contributing, by a fair but moderate tax, largely to relieve us from the burthens of taxation; since our usual tax of eight per cent. on the dividends would amount, upon dividends of six per cent., to no less than \$168,000 per annum, admitting the whole capital to be continued;

in his views on this point. In order, however, to manifest their respect for the Executive of the State, and to afford to the House an opportunity of deciding upon it by a direct vote, they have prepared and herewith report a bill in conformity with the wishes of the Governor.

Their objections to the measure are founded upon a conviction, that, at this time, it would be extremely oppressive, primarily upon the banks, and ultimately, upon the people at large. The committee can account for the different views entertained by them on the subject, from those expressed by the governor, only by supposing, that, as he states in the introduction of the message, "that recent events have produced a change in the pecuniary relations of the commonwealth, so sudden and unexpected," &c. he may not previously have had the same motive to inquire into this question as themselves. To them the changes are neither sudden nor unexpected. They were foreseen, and their gradual progress has been marked. The committee believe, that our banks have, at no time, been in a condition less likely to enable them to meet such a call. A statement prepared by the auditor general, for the use of the committee, is hereto annexed; exhibiting the amount which each bank liable to the call, will have to pay. The committee have added another table, exhibiting the proportion of circulation to the capital of each bank, and of specie to the circulation of each, prepared from the reports of the 5th of November last. They regret, that the want of more accurate and minute information, and especially of any of recent date, prevents them from entering into a full consideration of this subject. But the committee cannot forbear calling the attention of the House, to the difficulty with which the temporary loan was obtained, as a proof of the condition of our banks; it is believed, that in all cases, where an amount was contributed, it was, rather as an act of generous self-denial, than from any conviction, that the course was either prudent or desirable. At a time like this, with so heavy a pressure upon the community, the banks have no other way of complying with the call, than by increasing the difficulties of the present hour. They must do it, either by adding to their circulation, or by calling in their discounts. In the first place, the experiment would be a dangerous, and for many of them, an unwarrantable one. It will be seen, that out of twenty-five country banks, ten had but from ten to fifteen cents in specie for every dollar of paper money, while the range of all was from ten to forty cents, and in one instance alone, (the York Bank.) to fifty-eight cents. In the banks of the city and county of Philadelphia, the proportion ranges from eighteen to fifty-eight cents in the dollar. The average of all our banks is twenty-eight cents. In the country banks, the circulation is to the capital from fifty-nine to three hundred per cent; a point which the committee deem an extreme one. The Philadelphia banks have a circulation of from 15½ to 128 per cent. of their capital and the average of all

our banks is sixty-one per cent. In a moment like this, when the cessation of specie payments is threatened, and when we may in some measure be exposed to serious losses from the rottenness of some banks, out of this state, which have thrown out millions of paper money, based upon less than four per cent. of specie, on prudent direction should, we think, be disposed to increase its circulation. To exhibit the nature of an operation of this kind, the committee state, that in one or more cases, where state banks had contributed to the temporary loan, the notes issued, for this purpose, were thrown back upon the bank for payment within a few days only of the date of their emission, and thus the loan was equivalent to a sudden drain of as much from the specie, or other resources of the banks.

If the five per cent. be not obtained from increased circulation, it must be by a curtailment of discounts, an operation extremely distressing at this time of universal pressure. It would probably involve in ruin many who now barely struggle against the present hour. In a letter, written to a member of this committee by the president of a bank in the interior of Pennsylvania, under date of the 23d of February, it is stated, that "If the state at this time should call on the banks for aid, it would much add to the existing embarrassments. Their drafts on their borrowers are now generally, as heavy as can be well met, but if they are forced to lend the state, the money must come from the people, and the pressure will consequently be increased." These views are shared by the committee.

In the present difficulty, it would be impossible to realize any immediate assistance from taxes; the proceeds of which must of course flow in gradually: but the committee believe, that all the evils we now labor under, could be readily removed by such an expression of legislative wishes, as would be heard by our representatives in Washington, who like those of Virginia, in a similar case, would not hesitate at once to yield all private views to the great interests of the State. The recal of the hasty measures, which have produced these embarrassments, the expectation held out, that the currency of the country would, by ulterior measures, founded upon salutary experience, be rescued from total deterioration would produce an immediate change in our affairs. Our banks would be relieved from the fear of bankruptcy, confidence would soon be restored; the causes of the pressure being removed, its effects would soon disappear; the credit of the State, its ability to borrow would be met by a corresponding ability to lend to it; our works of internal improvement might be repaired or completed, so that the increasing tolls would replenish the treasury of the State. This, in the opinion of the committee, is the true and legitimate way of removing the present evils, and of sustaining the credit of the Commonwealth.

The committee have thrown into an Appendix various state-

ments and extracts, which they consider as appropriate to the occasion, and in conformity with the reasons before alleged, though entirely disapproving of the expediency of the passage into a law, they report a bill, entitled, "An Act authorizing a call upon the Banks of this Commonwealth for a loan of five per centum of heir capital paid in."

APPENDIX

TO THE REPORT OF THE COMMITTEE OF WAYS AND MEANS.

A. List of banks liable to be called on for a loan of five per cent upon capital paid in, prepared by the Auditor General.

B. Table shewing the relation between the capital of the banks in the state of Pennsylvania and their notes in circulation ; also showing the proportion between their notes out and the specie held by them made from the report of the Auditor General to the Legislature, Jan. 5, 1834, the state of the banks was made up November 5, 1833.

C. Table exhibiting the proportion of specie to the circulation of the Safety Fund Banks in the state of New York, Jan. 1, 1834.

D. Balances due from banks in the City and Liberties of Philadelphia to the bank of the United States.

E. Extract of a letter from Mr. Secretary Dallas, to Mr. Eppes, chairman of the committee of ways and means dated 17th Oct. 1814.

A—List of Banks liable to be called on for loan of 5 per cent, upon their capital paid in, prepared by the Auditor General.

Girard Bank,	\$1,500,000 00	\$75,000 00
Commercial Bank of Pennsylvania,	1,000,000	50,000
Schuylkill Bank,	991,145	49,557 25
Mechanics Bank city & county Phila.	700,000	35,000
Western Bank, Philadelphia,	408,470	20,423 50
Southwark Bank,	250,000	12,500
Bank of Penn Township,	249,720	12,886
Bank of the Northern Liberties,	246,850	12,342 50
Manufacturers & Mechanics bank Phil.	237,665	11,883 25
Kensington Bank,	199,500	9,975
Moyamensing Bank,	125,000	6,250
Bank of Germantown,	152,000	7,600
Farmers bank of Bucks county,	60,000	3,000
Doylestown Bank of Bucks county,	30,000	1,500
Northampton bank,	124,640	6,232
Easton Bank,	298,770	14,938 50
Wyoming Bank,	58,135	2,906 75
Bank of Northumberland,	100,000	5,000
Miners Bank of Pottsville,	199,870	9,993 50
Farmers Bank of Reading,	300,360	15,018
Bank of Montgomery county,	133,650	6,682 50
Bank of Delaware county,	104,350	5,217 50
Bank of Chester county,	210,000	10,500
Farmers Bank of Lancaster,	400,000	20,000
Lancaster Bank,	139,102 50	6,955 12
Columbia Bridge Company,	395,000	19,750
Lebanon Bank,	58,615	2,930 75
Bank of Middletown,	75,195	3,759 75
Harrisburg Bank,	158,525	7,926 25
York Bank,	168,720	8,436
Carlisle Bank,	203,475	10,173 75
Bank of Gettysburg,	122,333	6,116 65
Bank of Chambersburg,	257,032 51	12,851 62
Bank of Pittsburg,	568,565 50	28,428 27
Merchants & Manufacturers bank of Pittsburg,	174,845	8,742 25
Monongahela Bank of Brownsville,	107,271	5,363 55
Erie Bank,	25,640	1,282
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	10,534,444 51	526,722 21

B.—TABLE shewing the relation between the capital of the banks in the State of Pennsylvania, and their notes in circulation; also shewing the proportion between their notes out, and the specie held by them; made from the report of the Auditor General to the Legislature, January 6th, 1884. The state of the banks was made up November 5, 1883.

Names of Banks.	Capital.	Notes in circulation.	Per cent. on capital.	Specie.	Per cent. on notes.
Pennsylvania,	2,500,000 00	839,418 61	33	308,440 19	37
Philadelphia,	1,800,000	281,644	15.6	163,977	53
Girard,	1,500,000	466,220	31	113,697 90	24
Farmers' & Mechanics',	1,250,000	338,030	26	149,604 05	44
North America,	1,000,000	253,585 13	25.3	103,365 82	40
Commercial,	1,000,000	281,462 49	28.1	148,789 62	53
Mechanics',	700,000	619,506	88.5	192,874 93	31
Schuykill,	991,145	460,045 50	46.4	120,783 62	26
Western,	408,470	321,020	80	104,532 67	33
Southwark,	250,000	173,830	70	83,011 82	50
Manufacturers' & Mechanics',	237,665	304,495	128	86,561 06	28
Northern Liberties,	246,850	314,099	127	106,373 07	34
Penn Township,	249,720	289,165	116	51,172 46	18
German town,	152,000	79,820	52.5	22,609 36	28
Moyamensing,	125,000	109,590	88	41,586 73	38
Kensington,	199,500	151,585	75	43,694 91	30
COUNTRY BANKS.					
Farmers' Bank of Bucks county,	60,000	95,939	160	9,384 24	10
Nylestown,	30,000	85,585	283	34,580 14	40
Newhampton,	124,640	229,436	184	30,663 83	13

TABLE B.—CONTINUED.

Names of Banks.	Capital.	Notes in circulation.	Per cent. on capital.	Specie.	Per cent on notes.
Piston,	298,770 00	341,604 40	114	46,820 26	14
Wyoming,	58,135	89,930	155	15,149 28	17
Northumberland,	100,000	239,836 10	260	30,929 89	12
Miners',	199,870	117,870	59	15,959 32	13
Farmers Bank of Reading,	300,360	268,412	89	94,010 95	35
Bank of Montgomery county,	133,650	183,399 50	137	34,674 87	19
" Delaware county,	104,350	109,786	105	26,748 75	24
" Chester county,	210,000	246,903	117	52,571 70	20
Farmers' Bank of Lancaster,	400,000	255,970 78	64	52,557 17	20
Lancaster Bank,	139,102 50	166,745	120	29,434 07	17
Columbia Bridge Company,	395,000	173,225	44	33,711 95	20
Lebanon Bank,	58,615	149,630	257	41,167 11	27
Bank of Middletown,	75,195	226,570	300	38,009 05	15
" Harrisburg,	158,525	361,186 10	228	38,708 13	11
" York,	168,720	172,760	102	100,133 62	58
" Carlisle,	203,475	159,382	79	21,846 72	13
" Gettysburg,	122,333	140,165	82	40,755 58	41
" Chambersburg,	257,032 51	209,348	81	45,089 51	21
Manufacturers' & Mech's. of Pittsburg,	174,815	154,270	90	15,367 11	10
Pittsburg Bank,	568,565 50	508,620	100	186,498 32	32
Monongahela Bank,	107,271	292,375	272	29,182 59	10
Erie Bank,	25,640	62,775	250	19,075 84	16
	\$17,084,414 51	\$10,366,232 61	106	\$2,909,105 66	28
			Av. pr. ct.		Av. pr. ct.

C.—Table exhibiting the proportion of specie, to the circulation of the safety fund Banks, in the State of New York, January 1, 1834.

Country Banks.		Country Banks.	
Buffalo,	21 per cent.	Livingston county,	6 per cent.
Mohawk county,	20 "	West Chester county,	5 "
Albany,	19 "	Onondaga,	5 "
Mechanics & Farm.	12 "	Auburn,	5 "
Steuben,	11 "	Canal Bank,	5 "
Jefferson county,	10 "	Central,	5 "
Cayuga county,	10 "	Seneca county,	5 "
Lockport,	10 "	Ontario and Branch,	5 "
Newburg,	9 "	Monroe county,	5 "
New York state,	9 "	Poughkeepsie,	4 "
Orange county,	8 "	Tanners,	4 "
Rome,	8 "	Herkimer county,	4 "
Ogdensburg,	8 "	Chenango,	4 "
Troy Bank,	8 "	Madison county,	4 "
Troy city,	8 "	Salina,	4 "
Lansingburg,	8 "	Saratoga county,	4 "
Chatauque county,	8 "	Yates county,	4 "
Lewis county,	7 "	Wayne county,	4 "
Farmers & Mech's.	7 "	Otsego county,	2½ "
Merchants & Mech's.	7 "	Broome county,	3 "
Essex county,	7 "	Geneva,	3 "
Genessee,	7 "	Chemung canal,	3 "
Brooklyn,	6½ "	Catskill,	3 "
Utica and Branch,	6 "	Hudson river,	2 "
Whitehall,	6 "	Ulster,	2½ "
Schenectady,	6 "	Ithaca, (a little over	1 "
Montgomery,	6 "		

Note—The twelve last named banks, have notes in circulation to the amount of upwards of \$2,700,000, and have only \$80,463 in specie.

New York City Banks.

America	97 per cent.	Leather Manufa'rs.	23 per cent.
Phoenix	49 "	Merchants,	22 "
Seventh ward,	41 "	New York,	21 "
Mechanics,	39 "	Greenwich,	19 "
Merchants Exch'g.	36 "	Union,	18 "
City Bank,	35 "	Butchers & Drovers	15 "
National	32 "	Mechanics & Trad's	9 "
Tradesmans,	27 "		

D.—Balances due from banks in the city and liberties of Philadelphia to the Bank of the United States.

1833	January,	26 days,	14,711,668	daily average	\$181,218
	February,	24 "	2,759,809	"	114,996
	March,	26 "	3,270,252	"	125,779
	April,	26 "	11,105,994	"	427,153
	May,	27 "	6,079,383	"	323,644
	June,	25 "	8,895,996	"	355,840
	July,	26 "	409,561	"	15,752
	August,	27 "	3,721,351	"	137,828
	September,	25 "	7,609,490	"	304,379
	October,	27 "	8,144,497	"	301,648
	November,	26 "	7,15,080	"	89,042
	December,	22 "	7,452	"	339,561
		<u>307 days</u>	<u>66,493,436</u>	<u>average</u>	<u>216,591</u>

Since the Deposites were removed.

October,	27 days	8,144,497	
November	26 "	2,315,089	
December,	22 "	7,470,352	
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	75 days	17,929,938	average daily, 239,066

E.—Extract of a letter from Mr. Secretary Dallas to Mr. Eppes, chairman of the committee of Ways and Means, dated 19th October, 1814.

"In making a proposition for the establishment of a national bank, I cannot be insensible to the high authority of the names which have appeared in opposition to that measure upon constitutional grounds. It would be presumptuous to conjecture that the sentiments which actuated the opposition have passed away; and yet it would be denying to experience a great practical advantage, were we to suppose that a difference of times and circumstances would not produce a corresponding difference in the opinions of the wisest as well as of the purest men. But in the present case, a change of private opinion is not material to the success of the proposition for establishing a national bank. In the administration of human affairs, there must be a period when discussion shall cease, and decision shall become absolute. A diversity of opinion may honourably survive the contest; but upon the genuine principles of a representative government, the opinion of the majority can alone be carried into action. The judge, who dissents from the majority of the bench, changes not his opinion, but performs his duty, when he enforces the judgment of the court, although it is contrary to his own convictions. An oath to support the constitution

and the laws, is not, therefore, an oath to support them under all circumstances, according to the opinion of the individual who takes it, but it is, emphatically, an oath to support them according to the interpretation of the legitimate authorities. For the erroneous decisions of a court of law is the redress of a censorial as well as of an appellate jurisdiction. Over an act, founded upon an exposition of the constitution, made by the legislative department of the government, but alleged to be incorrect, we have seen the judicial department exercise a remedial power. And, if even all the departments, legislative, executive and judicial, should concur in the exercise of a power which is either thought to transcend the case is still within the reach of a competent controul, through the medium of an amendment to the constitution, upon the subject, not only of congress, but of the several states. When, of twenty years, with all the sanctions of a national bank for all the legislative, executive and judicial authorities; when we have seen the legislative, executive and judicial authorities, and heard a loud and continued call for the establishment of another; when, under these circumstances, neither congress nor the several states have resorted to the power of amendment—can it be deemed a violation of the right of private opinion, to consider the constitutionality of a national bank as a question forever settled and at rest?"

